

A SUBSTITUTE ORDINANCE BY FULL COUNCIL

AS SPONSORED BY COUNCILMEMBERS H. LAMAR WILLIS, JIM MADDOX,
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A SUBSTITUTE ORDINANCE AMENDING CHAPTER
154 ARTICLE III DIVISION 3 SECTIONS 154-111
AND 154-112 (WATER RATES AND CHARGES) AND
CHAPTER 154 ARTICLE V DIVISION 3 SECTIONS
154-276 AND 154-277 (SEWER RATES AND
CHARGES) TO INCREASE THE WATER AND SEWER
RATES FOR THE CITY OF ATLANTA, GEORGIA TO
BE CHARGED ALL RESIDENTS, PREMISES, AND
FACILITIES SERVED BY THE WATER AND SEWER
SYSTEM OF THE CITY; AND AMENDING CHAPTER
154 ARTICLE III DIVISION 3 SECTION 154-118 TO
ENACT A WATER AND WASTEWATER SYSTEMS
SECURITY SURCHARGE FOR THE CITY OF
ATLANTA, GEORGIA TO BE PLACED ON WATER
BILLINGS FOR ALL DOMESTIC, COMMERCIAL,
INDUSTRIAL AND OTHER USERS OF THE CITY OF
ATLANTA WATER SYSTEM TO PAY FOR THE COST
OF PROVIDING SECURITY SERVICES AND TO PUT IN
PLACE SECURITY INFRASTRUCTURE AND UPGRADES;
FOR OTHER PURPOSES.

WHEREAS the City of Atlanta, pursuant to its charter, has the responsibility of providing water and sewer service to its citizens, corporate customers and others outside the corporate boundaries of the City on both a retail and wholesale basis; and

WHEREAS, the City's water and sewer system is aging which has resulted in water main breaks and leaks and sewerline overflows; and

WHEREAS, it is necessary to upgrade, improve and expand the system to protect the public's health and welfare and to serve their needs; and

WHEREAS, in 1998 and 1999 the City agreed to Consent Agreements with the EPA and the State to complete specified system improvements within a stated period of time; and

WHEREAS; the cost of these improvements, estimated at \$3 billion over the next five years, are such that resources are not available for construction within the existing water

and sewer revenue stream; and

WHEREAS, the Mayor and City Council have, after extensive research and analysis, concluded that to maintain and upgrade the water treatment and distribution system and wastewater treatment and collection system to meet federal and state regulations and the future demands of economic growth in the City, a major program of capital improvements had to be initiated; and

WHEREAS, it is necessary for water and sewer rate increases to be implemented to provide continued funding so that the capital improvement program can be completed within the period agreed to in the Consent Agreements with the EPA and State; and

WHEREAS, it is the desire of the Mayor and the City Council to minimize to the extent possible the impact of rate increases on ratepayers and implement a rate structure that maintains affordability and promotes water conservation through the implementation of a graduated rate structure; and

WHEREAS, on June 12, 2002, the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Bioterrorism Act) was signed into public law (P.L. 107-188) by the 107th Congress; and

WHEREAS, Title IV of this Act amends the Safe Drinking Water Act and outlines actions which community water systems and the U.S. Environmental Protection Agency (EPA) must take to improve the security of the nation's drinking water and wastewater infrastructure; and

WHEREAS, the City of Atlanta, pursuant to the Safe Drinking Water Act and Public Health Security and Bioterrorism Preparedness and Response Act, has the responsibility to conduct a vulnerability assessment of its treatment and water works; to implement security enhancements to reduce vulnerabilities identified in a vulnerability assessment; and to implement additional security enhancements to reduce vulnerabilities identified in a vulnerability assessment; and

WHEREAS, the City has conducted a vulnerability assessment and has concluded that to upgrade the security of the City of Atlanta water treatment and distribution system and wastewater treatment and collection system to meet federal and state regulations, a major program of security and capital improvements had to be initiated; and

WHEREAS, the City has an interest in encouraging its citizens to conserve its water resources and to promote conservation through the water and sewer rate structure; and

WHEREAS, the projected cost for the City of Atlanta water security system upgrade totals over \$28 Million; and

WHEREAS, the City of Atlanta intends to provide funds through the creation of a security surcharge to pay for federally mandated security improvements to the City of

Atlanta water treatment and distribution system and wastewater treatment and collection system facilities.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA AS FOLLOWS:

SECTION 1: that Chapter 154, Article III, Division 3 (Water Rates, Charges, and Related Matters), Section 154-111 and 154-112 be amended to increase water rates as follows:

that the City of Atlanta water rate structure will include a graduated schedule of rates conditional on usage levels for domestic, commercial, industrial and other users of the City of Atlanta system, so as to encourage and promote conservation among all users. The schedule of rates shall constitute the minimum billed charge per month for all metered customers. They are as follows:

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using three hundred cubic feet or less shall be \$1.93 and \$2.33 for Outside-City water users beginning on and after January 1, 2004.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using between four and six hundred cubic feet shall be \$2.21 and \$2.67 for Outside-City water users beginning on and after January 1, 2004.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using more than six hundred cubic feet shall be \$2.54 and \$3.07 for Outside-City water users beginning on and after January 1, 2004, with the effective increase for this usage level being 45%.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using three hundred cubic feet or less shall be \$2.12 and \$2.56 for Outside-City water users beginning on and after January 1, 2005.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using between four and six hundred cubic feet shall be \$2.76 and \$3.34 for Outside-City water users beginning on and after January 1, 2005.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using more than six hundred cubic feet shall be \$3.63 and \$4.39 for Outside-City water users beginning on and after January 1, 2005, with the effective increase for this usage level being 43%.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using three hundred cubic feet or less shall be \$2.33 and \$2.82 for Outside-City water users beginning on and after January 1, 2006.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using between four and six hundred cubic feet shall be \$3.23 and \$3.91 for Outside-City water users beginning on and after January 1, 2006.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using more than six hundred cubic feet shall be \$4.28 and \$5.18 for Outside-City water users beginning on and after January 1, 2006, with the effective increase for this usage level being 18%.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using three hundred cubic feet or less shall be \$2.56 and \$3.10 for Outside-City water users beginning on and after January 1, 2007.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using between four and six hundred cubic feet shall be \$3.59 and \$4.34 for Outside-City water users beginning on and after January 1, 2007.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using more than six hundred cubic feet shall be \$4.75 and \$5.75 for Outside-City water users beginning on and after January 1, 2007, with the effective increase for this usage level being 11%.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using three hundred cubic feet or less shall be \$2.76 and \$3.35 for Outside-City water users beginning on and after January 1, 2008.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using between four and six hundred cubic feet shall be \$3.88 and \$4.69 for Outside-City water users beginning on and after January 1, 2008.

In-City water rates for domestic, commercial, industrial and other users of the City of Atlanta system using more than six hundred cubic feet shall be \$5.23 and \$6.33 for Outside-City water users beginning on and after January 1, 2008, with the effective increase for this usage level being 10%.

SECTION 2: that Chapter 154, Article V, Division 3 (Sewer Rates and Charges), Sections 154-276 and 154-277 be amended to increase monthly billed sewer rates as follows:

that the City of Atlanta sewer rate structure will be \$4.90 per hundred cubic feet for the first three hundred cubic feet for sewer users beginning on and after January 1, 2004.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$5.61 per hundred cubic feet for four to six hundred cubic feet beginning on and after January 1, 2004.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$6.45 per hundred cubic feet for six hundred cubic feet or more beginning on and after January 1, 2004, with the effective increase for this usage level being 45%.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$5.39 per hundred cubic feet for the first three hundred cubic feet for sewer users beginning on and after January 1, 2005.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$7.01 per hundred cubic feet for four to six hundred cubic feet beginning on and after January 1, 2005.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$9.22 per hundred cubic feet for six hundred cubic feet or more beginning on and after January 1, 2005, with the effective increase for this usage level being 40%.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$5.93 per hundred cubic feet for the first three hundred cubic feet for sewer users beginning on and after January 1, 2006.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$8.20 per hundred cubic feet for four to six hundred cubic feet beginning on and after January 1, 2006.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$10.88 per hundred cubic feet for six hundred cubic feet or more beginning on and after January 1, 2006, with the effective increase for this usage level being 15%.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$6.52 per hundred cubic feet for the first three hundred cubic feet for sewer users beginning on and after January 1, 2007.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$9.10 per hundred cubic feet for four to six hundred cubic feet beginning on and after January 1, 2007.

that sewer rates for domestic, commercial, industrial and other users of the City of

Atlanta system shall be \$12.08 per hundred cubic feet for six hundred cubic feet or more beginning on and after January 1, 2007, with the effective increase for this usage level being 11%.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$7.04 per hundred cubic feet for the first three hundred cubic feet for sewer users beginning on and after January 1, 2008.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$9.83 per hundred cubic feet for four to six hundred cubic feet beginning on and after January 1, 2008.

that sewer rates for domestic, commercial, industrial and other users of the City of Atlanta system shall be \$13.29 per hundred cubic feet for six hundred cubic feet or more beginning on and after January 1, 2008, with the effective increase for this usage level being 10%.

SECTION 3: that Chapter 154, Article III, Division 3 (Water Rates, Charges, and Related Matters), Section 154-111 and 154-112 be amended to increase monthly Wholesale Water Rates as follows:

that the Wholesale Water Rate be changed from the current rate of \$1.00 per hundred cubic feet to a rate of \$1.52 per hundred cubic feet for wholesale customers beginning on and after January 1, 2004.

that the Wholesale Water Rate shall be \$2.26 per hundred cubic feet for wholesale customers beginning on and after January 1, 2005.

that the Wholesale Water Rate shall be \$2.64 per hundred cubic feet for wholesale customers beginning on and after January 1, 2006.

that the Wholesale Water Rate shall be \$2.93 per hundred cubic feet for wholesale customers beginning on and after January 1, 2007.

that the Wholesale Water Rate shall be \$3.19 per hundred cubic feet for wholesale customers beginning on and after January 1, 2008.

SECTION 4: that effective January 1, 2009 for all billing cycles beginning on and after January 1, 2009 and for each year thereafter, water and sewer rates shall be increased based on the Consumer Price Index or other appropriate index for the preceding period not to exceed three percent (3%) per annum.

SECTION 5: that the City of Atlanta shall aggressively evaluate and pursue financial structuring options, restructuring of billing distribution and operational cost-saving measures to reduce the cost of the projected capital improvements program, as well as seek additional funds from other sources. In the event of reduction in the financing or

other costs, growth rates that exceed projections, or the receipt by the City of Atlanta of additional funds, which are specifically and solely designated for use by the City of Atlanta for the purposes of funding the specified system improvements to maintain and upgrade the water treatment and distribution system and wastewater treatment and collection system to meet federal and state regulations and the future demands of economic growth in the City, the water and sewer rates increase ordained herein shall be reduced accordingly as allowed by local, state and federal law. In any event, the water and sewer rates shall be reviewed annually and accordingly revised and recalculated so as to reduce the rates for all metered customers in appropriate proportion.

SECTION 6: the Mayor or her designee shall provide to the City Council on a quarterly basis, in writing, a status and progress report before the Finance Committee and the City Utilities Committees, a status and progress report specifically detailing the efforts and initiatives undertaken by the City to reduce the burden on ratepayers through (1) value engineering activities, (2) collection of delinquent in-city and inter-jurisdictional accounts, (3) fine-tuning the appropriate allocation of fees based on actual usage by ratepayers, (4) lobbying efforts with local, state and federal sources, and (5) receipt of funds from other sources.

SECTION 7: that Chapter 154, Article III, Division 3 (Water Rates, Charges, and Related Matters), Section 154-118 be amended to create a security surcharge as follows: (a) That the imposition of a surcharge of shall be placed on all domestic, commercial, industrial and other users of the City of Atlanta Water and Wastewater System to pay for the cost to implement the security and infrastructure requirements as described in the Safe Drinking Water Act and Public Health Security and Bioterrorism Preparedness and Response Act.

(b) that for purpose of this ordinance, the surcharge will be described as the "Water and Wastewater Systems Security Surcharge."

(c) that the Water and Wastewater Systems Security Surcharge shall be \$0.15 per hundred cubic feet for all billing cycles beginning on and after January 1, 2004. Funds collected from the surcharge shall be deposited in a fund separate and distinct from other funds of the Water and Wastewater System.

SECTION 8: that funds generated by the Water and Wastewater Systems Security Surcharge shall only be used for the purpose of:

(a) The reduction of City of Atlanta Water System vulnerabilities which may substantially disrupt the ability of the treatment works to safely and reliably operate; or have a substantial adverse effect on critical infrastructure, public health or safety, or the environment;

(b) The purchase and installation of equipment for access control, intrusion prevention and delay, and detection of intruders and hazardous or dangerous substances,

(c) Security improvements to electronic, computer, or other automated systems and

remote security systems, including controlling access to such systems, intrusion detection and prevention, and system backup;

(d) Participation in training programs and the purchase of training manuals and guidance materials relating to security; and

(e) Security screening of employees or contractor support services.

SECTION 9: that the Water and Wastewater Systems Security Surcharge hereby established shall terminate and shall not be applicable to billings rendered from and after January 1, 2011 unless extended by ordinance adopted by the city council.

SECTION 10: that the conservation and affordability base rate established for the first three hundred cubic feet shall constitute the minimum billed charge per month for all metered customers and shall increase as set forth above.

SECTION 11: that all ordinances or parts in conflict herewith, be and the same are hereby repealed.